





WORLD BRIEFS

Students Protest Martial Law... North Sea Seal Virus Isolated... Yields Lifts More Price Controls... Man Guilty of Racketeering... Threatens Indian Opposition...

Seeking to End Rumor, Dukakis Issues Report From His Physician

By Edward Walsh... BOSTON — Governor Michael S. Dukakis, seeking to quash unsubstantiated rumors that he was once treated for depression, has made public a detailed statement from his personal physician that says the Democratic presidential nominee is in "excellent health" and has had "no psychological symptoms, complaints or treatment."



Dr. Gerald Plotkin, the physician for Michael S. Dukakis, after issuing a report that said Mr. Dukakis was in "excellent health" and had "no psychological symptoms, complaints or treatment."

Behind U.S. Strike: Foreign TV Boom

By Peter J. Boyer... NEW YORK — In France, where until recently there were three television channels, there are now six, each fighting for a larger share of the audience.

Engine Test Of Shuttle Aborted at Last Second

CAPE CANAVERAL, Florida — The National Aeronautics and Space Administration on Thursday aborted a crucial test-firing of the engines of the space shuttle Discovery a fraction of a second before ignition when computers reported a valve problem.

In Rural U.S. Towns: We Want You

By Dirk Johnson... ROLFE, Iowa — This town is offering a free lot and \$1,200 to anyone willing to move here. "We need people," said William Winklebuck, the president of Rolfe Retirement Inc., a civic group in this shrinking town.

Engine Test Of Shuttle Aborted at Last Second

CAPE CANAVERAL, Florida — The National Aeronautics and Space Administration on Thursday aborted a crucial test-firing of the engines of the space shuttle Discovery a fraction of a second before ignition when computers reported a valve problem.



Agriculture Secretary Richard Lyng, right, and Commerce Secretary William Verity, center, listening to Dr. William Bonner, director of the U.S. Meteorological Center, discuss the center's efforts to map the drought that has seriously depleted U.S. grain stocks.

World Grain Stocks Facing Biggest Loss

The Associated Press... WASHINGTON — Droughts in the United States, Canada and China will produce the steepest one-year drop in world grain supplies ever recorded, a private research organization said.

U.S. Considers 2 Nuclear Reactors To Bolster Production of Weapons

By Cass Peterson... WASHINGTON — The Energy Department has proposed that the government build two new nuclear reactors on an urgent schedule to supply material for atomic weapons.

In Hottest U.S. Summer in 50 Years, Forecasters Say Worst Is Still Ahead

United Press International... NEW YORK — Federal weather forecasters said Thursday that the worst was still ahead for Americans in the hottest summer in 50 years.

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OPINION

Herald Tribune

Not a Crime but a Tragedy

Now that the Pentagon appears ready to blame human error aboard the U.S. cruiser Vincennes for the shooting down of the Iranian airliner last month, should Americans feel guiltier for the tragedy? Or just sorrier for an accident of war? And what can now be done to learn the lessons of the tragedy and avoid repetitions?

Just a Crumb From Castro

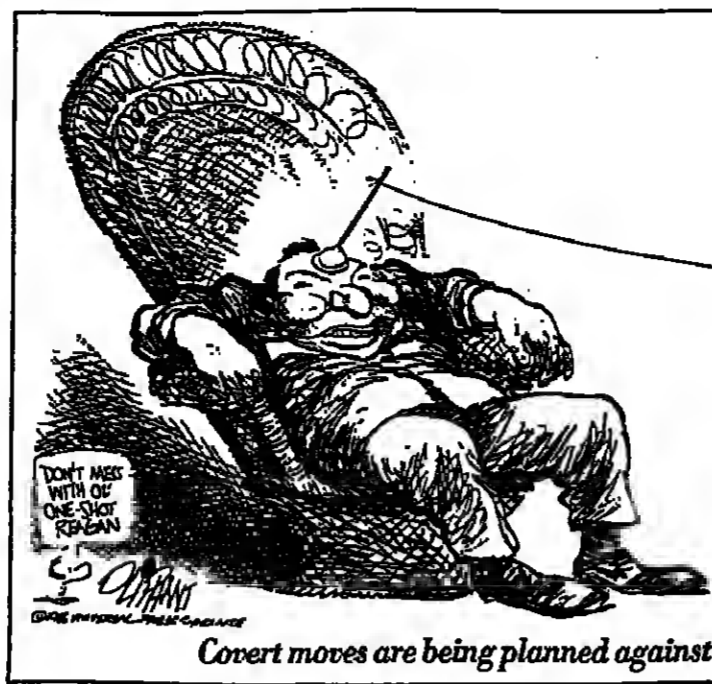
Neither Fidel Castro nor the outside world found much to cheer about last week on the 35th anniversary of the Cuban revolution. Cuba is poorer today than when Mr. Castro victoriously entered Havana in 1959 after six years of struggle.

Congress Needs a Raise

One of the things U.S. congressmen find it hardest to do is to pay themselves right. It is natural for constituents to resent someone who seems able to write his own paycheck, and attacking a congressman for voting for a pay raise is a cheap shot that many challengers find irresistible.

Still Powerless and Prolific

"Two women in 160 years is about par for the course," said Ann Richards, the state treasurer of Texas, when she became the second female keynote speaker at a Democratic Convention. If her witty comment made millions of American women laugh, it is because they can afford to. They know as well as does the eloquent Mrs. Richards that women are making gains all over the place.



Covert moves are being planned against Noriega...

A Final Obstacle on the Path to Cambodian Peace

By Elizabeth Becker

PARIS — In the past month the diverging paths to peace in Cambodia have merged, largely under the masterful direction of Prince Norodom Sihanouk, and a political agreement is on the horizon. It could take three months, six months or a year but the momentum is growing.

Hanoi Moves More Cautiously on Reform

By Carlyle A. Thayer

CANBERRA — Vietnam's political system is passing through a turbulent period, caused partly by the replacement of one political generation by another. At the same time, the nation's leadership has been engaged in debate about the more liberal economic policies that have been introduced in recent years.

Burma's Trip From Euphoria to Dismay

By Bertil Lintner

BANGKOK — For years, the multilateral development banks, Burma's donor countries (Japan and West Germany, among others) and an increasingly active opposition have suggested discreetly to the government in Rangoon that it was time for reform. But it took two waves of rioting in March and in June, in which more than 200 people were killed, before these long-awaited changes seemed to materialize.

The Dictator Left a Troubling Legacy

THE resignation of U Ne Win after 26 years as dictator of Burma seemed too good to be true. Many Burmese think it is not true. The dictator may have gone into retirement, but the dictatorship has not.

Arafat's Last Chance, America's Lost Hope

By Daniel Pipes

PHILADELPHIA — King Hussein's declaration that Jordan no longer has a role on the West Bank provides the greatest challenge ever to the Palestine Liberation Organization. How the PLO acts in the next few months will determine whether it establishes an independent state or disappears into the oblivion of faded irredeemability.

Iran Air Question

In the aftermath of the shooting down of the Iran Air flight, the U.S. State Department has announced that it will not accept responsibility for the tragedy.

UN Reform and U.S. Dues. The UN secretary-general Javier Perez Cuellar has said that the UN is in a "serious" financial crisis.

Land and... Wellington, New Zealand. A flood of claims for land and fishing rights by indigenous Maoris is sparking ethnic tensions in New Zealand.

100, 75 AND 50 YEARS AGO. 1888: World TB Parley. PARIS — The first international tuberculosis congress on record has just broken up in Paris.

1913: Chaos in Canton. HONG-KONG — The Cantonese army has been untried, and Chan, the rebel Governor of Kwangtung Province, has disappeared.

INTERNATIONAL HERALD TRIBUNE. JOHN HAY WHITNEY, Chairman 1988-1992. KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen. LEE W. HUBNER, Publisher.





WEEKEND

- Queen's Art
Latin Theater
Kenyan Carvers

International Herald Tribune

CRITICS' CHOICE

BERLIN

Chamber Opera Festival
As part of the program for its year as Europe's 'cultural capital' Berlin is staging a festival of chamber operas...

ST. PAUL DE VENCE

Fernand Léger Retrospective



More than 150 paintings and drawings by Fernand Léger have been gathered by the Maeght Foundation...

LUCERNE

Mostly for Orchestras

This year's Lucerne Music Festival, from Aug. 17 to Sept. 10, opens with a concert of the Swiss Festival Orchestra...

LONDON

Gordon Anthony Photographs

Portraits from the worlds of British theater, movies and ballet are among the highlights of 'Shadowland'...

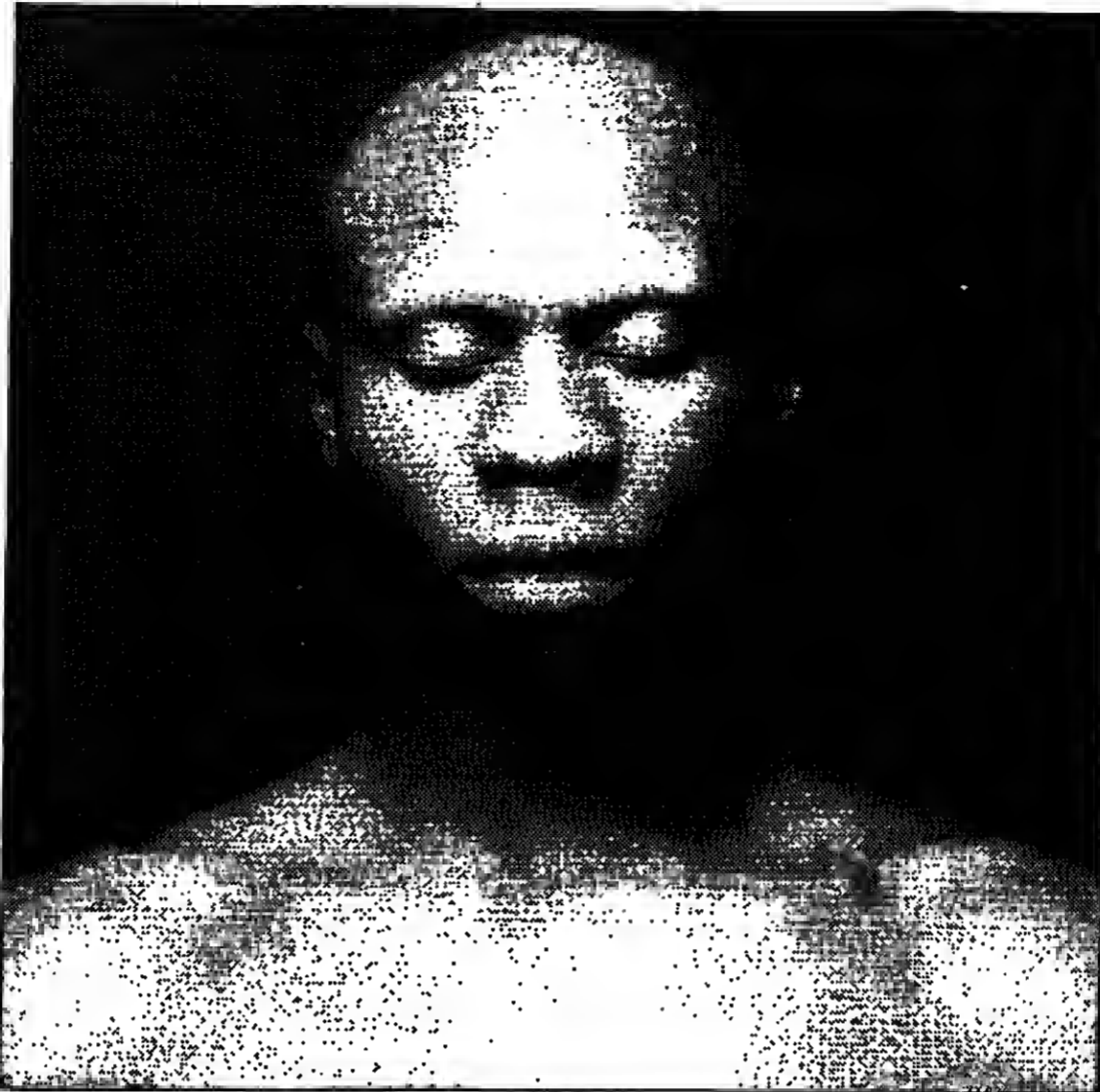
HILDESHEIM

Art Treasures From Albania

The Roemer and Pelizaeus Museum in Hildesheim, West Germany, has assembled more than 400 sculptures and other art treasures from Albania...

Transgressions in Search of Beauty

by Andy Grundberg



'Ken Moody' (1983), in the Mapplethorpe retrospective at the Whitney.

If style and its permutations, fashionability and taste, are major topics of late '80s art, then Robert Mapplethorpe is perhaps the most topical artist of the moment...

The earliest works in the show are mostly sculptural treatments of photographic imagery, often self-referential in the way they make a fuss about their frames...

major influence; there are 'found' images taken from magazines as well as small Polaroid pictures arranged in horizontal rows...

These pictures represent only the beginnings of the artist's mature career, however, and only a minor portion of the exhibition...

Partly we are seduced by the surfaces of his prints, which revel in the infinitesimal gradations of whites and blacks that photography is capable of producing...

Continued on page 8

Drum Rolls for Prof. Roach

by Mike Zwerin

NEW YORK — On July 14, Professor Max Roach, who has been called the Duke Ellington of the drums, stopped by his office during a lunch break...

Roach did not know anybody named Hope in Chicago. He had been negotiating to appear at the Chicago Jazz Festival...

'I'm still in a state of shock,' Roach said last week in his upper West Side apartment overlooking Central Park...

The John D. and Catherine T. MacArthur Foundation awarded 31 fellowships this year. The smallest is \$150,000. Roach's figure was close to the biggest...

has to be based on achievement, the fellowship is not intended to be a reward but rather to foster new accomplishments...

An extraordinarily fit 64, Roach has been creating his own opportunities with remarkable resourcefulness. Building on the innovations of Kenny Clarke...

He rendered obsolete the old joke about a jazz quartet being 'three musicians and a cusemble, M'Boom, and has written for and performed with multimedia projects...

'A lot of us got started in public schools, Charlie Parker and Bud Powell, for example. But now there are no more music teachers in public elementary schools.'

drummer.' The critic Rafi Zabor wrote: 'Over no other instrument has the influence of one man been as decisive as Roach's over drums for the past 30-odd years.'

In recent years he has worked solo, in duo, with his quartet, with a 'double quartet' (four strings added) and with his percussion

ensemble, M'Boom, and has written for and performed with multimedia projects.

Since he has already managed to do all this within, or despite, the capitalist system, you wonder what kind of five-year plan he has for the additional \$75,000 a year.

He explains by way of a brief biography: 'My family moved from South Carolina to Bed-Stuy [the Bedford-Stuyvesant ghetto in Brooklyn] in 1928. Although the crash came a year later, although the people were poor and disenfranchised, they had a lot of pride.

Nobody was slick, everybody was honest. Nobody went to church. 'I used to take musical instruments home from elementary school. There were music teachers there — we all learned instruments. A lot of us got started in public schools, Charlie Parker and Bud Powell, for example.

But now there are no more music teachers in public elementary schools. It's like Moynihan said, 'benign neglect.' Just let it rot and fester.

'I'd like to use some of the MacArthur prestige and money to at least begin some of the statistical research necessary to present a plan to the city fathers to build a kind of cultural complex in Bed-Stuy. I'd like to build what I call an 'ossis.' It should be a pleasure to look at and to be in. I'd like to give something back to that community. Also, I'd like to have the time to work on my autobiography.'

Roach is many things besides a great drummer: Civil, civic-minded, generous, healthy, intelligent, literate are appropriate adjectives. He says: 'I've been through the whole mill. I've done everything everybody else did. I don't know if it was my parents' prayers or what, but I gave up everything a long time ago. I don't smoke, I don't drink.

Continued on page 8



Roach at work.

Ilya Glazunov: Pop Hero Or Kremlin Sycophant?

by Bill Keller

MOSCOW — To the Moscow liberal intelligentsia, the painter Ilya Glazunov is a Russian chavrusnik, an anti-Semite, a Kremlin sycophant, an enemy of the modern.

To the official art establishment, he is too steeped in the Russian Orthodox religion, too gloomy and politically unreliable.

The international art market rendered its verdict on Glazunov's Russian realism at Sotheby's auction in Moscow on July 7, when buyers, intoxicated by the Soviet modernist works in the catalogue, failed to offer the suggested minimum bid on any of the four Glazunov canvases for sale.

That leaves the Russian public, and they are flocking by the thousands every day to Glazunov's self-sponsored exhibition at the Palace of Youth, as to a shrine, which in a way it is.

The exhibition is a sort of coming out for the tribe of Russian true believers, the spiritual children of the czars and the Russian Orthodox Church, who feel themselves, like Glazunov, condescended to by Western snobbery and victimized by the Sovietization of their history and culture.

Glazunov, in fact, is perhaps the first of these Russian patriots, as they prefer to be called, to realize how fully the new climate of greater artistic license and commercial freedom can be employed in the cause of traditional values.

Denied a free exhibit space, Glazunov has mounted the show in a peyestroyka, charging 2 rubles admission (about \$3.20) and selling posters, programs and Glazunov lapel pins to recoup the rent at the youth center.

The show contains 30 paintings, but the viewers are drawn by two panoramic canvases 10 feet high and 20 feet wide (about 3 by 6 meters) that amount to Glazunov's gospel of Russia and the world.

One, 'The Mystery of the 20th Century,' is a murky, apocalyptic collage of modern times. It had been banned from public display since 1971 because Glazunov included in it a portrait of the exiled Russian author Alexander Solzhenitsyn wearing prison garb.

The other canvas, a new work for this year's 1,000th anniversary of Slavic Christianity, is called 'Eternal Russia.' It is a gallery of figures from Russian history, some 300 distinctive faces arrayed around the crucified Jesus according to the artist's personal judgment: Glazunov's inferno.

The Bolsheviks occupy a place in the landscape that is, at best, ambiguous. They ride down an avenue and out through the crowd of czars, saints and poets, an avenue paved with corpses. Stalin and Trotsky lead the way, followed by Lenin.

Front and center, alongside the revered Russian writers Pushkin, Dostoyevski, Gogol and Lermontov, stands the czarvitch, Alexei, the child heir to the Russian throne, who was executed after the Bolshevik Revolution. Viewers gasp in reverent astonishment when the innocent face of what might have been identified by exhibition guides.

THE painting encapsulates the view of Russian patriots, who feel themselves abused first by the Mongol hordes, then by the burdens of empire and more recently by the cultural conformity enforced by the Communists.

Russian patriots do not necessarily crave a return to monarchy, but their view is imbued with nostalgia for the czarist period, with its religious faith, autocratic leadership and fierce Russian identity. Each day the crowds gather before the two Glazunov panoramas as if gazing from a hilltop into a half-forgotten landscape, to grieve at the names of the figures and speculate about what they mean.

'This is our history, which they hid from us,' said an

Continued on page 8

Hamburger Bahnhof: Taste of Timelessness

by David Galloway

BERLIN — For the second year, Berlin is preening its cultural feathers. Last year, the city's 750th birthday provided the occasion for a monumental and controversial sculpture show that stretched the length of the Kurfürstendamm. This year the city's designation as 'European Cultural Capital' encouraged the city senate to loosen its purse strings for a series of art spectacles.

The smorgasbord opened with a Joseph Beuys retrospective that unexpectedly revealed more about market skullduggeries than it did about the great shaman. Now, on safer ground, West Berlin is hosting treasures from the Topkapi seraglio (at the Charlottenburg Palace) and artifacts from the 'lost republic' of Augustus Caesar (at the Martin Gropius Bau). Viewers with a taste for Greek antiquities are being lured to the Dahleim Museum, while the Museum for Arts and Crafts documents the abduction of Europe with paintings, sculptures and ceramics.

The highpoints of this art-laden summer, however, are to be found in two complementary (and sometimes conflicting) surveys of contemporary art. The National Gallery offers a distilled appraisal of six 'Positions in Contemporary Art.' With far more flair and finesse, the old Hamburger Bahnhof accommodates 32 international artists, primarily sculptors, in a show entitled 'Zeitlos' (Timeless). Curated by Harald Szeemann, 'Zeitlos' is an ironic riposte to Berlin's 'Zeitgeist' exhibition of 1982, with its stress on the new, wild-style German painting.

The wild bunch is no longer in evidence. Nor are the graffiti kids who rose without a trace only yesterday. Szeemann's unabashed love is for the minimal, meditative, mythic approach that he sees as timeless. It is a thesis he has documented, since 1985, in Düsseldorf, Vienna and Zurich, as well. Those who know the previous incarnations will find little new here, but the train station itself is well worth the trip.

Until recently, few Berliners knew of the forlorn existence of this monument to the Industrial Revolution. Built in 1847, the Hamburger Bahnhof offered a model for the 'cathedrals of steam' that would soon rise throughout the nation. By the end of the century, it had become obsolete, and in 1906 was converted to a transport museum. Though damaged in World War II, its severe neoclassical profile and most of its collections survived. The structure was hastily patched together, then slowly sank into a bureaucratic limbo.

When the victorious Allies hastily parceled out jurisdictions of Berlin in 1945, control of the railroads went to the Soviets and later the East Germans. Though no trains had rolled here since 1884, the Hamburger Bahnhof was included in the package. To reopen the museum would have meant a violation of the treaty restriction on 'matters of transport.' Further complicating the building fate was its location, directly adjacent to the British transit point between West and East Berlin.

Ironing out the diplomatic wrinkles after years of official indifference was the work of a private initiative founded in 1981. The

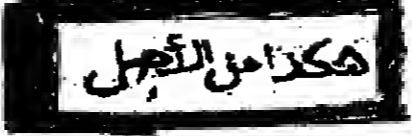
Continued on page 8



Glazunov's Prince Oleg and Prince Igor (1974).







TRAVEL

Old Masters in Abundance

by John Russell

LONDON — In any other big city the 131 works of art that make up the "Treasures from the Royal Collection," at the Queen's Gallery, would be hidden into the public awareness not only by every means already known but also by others just invented by the PR industry.

collected in an episodic, often discerning but quite unsystematic way. Some of them had taste of a kind that shines through their every acquisition and can clearly be seen in the present exhibition. Some of them did not, but there is to this day an awareness that this strange heterogeneous miscellany has to be cherished, kept together and shared with everyone who wants to see it.

end of the 18th century by Caroline of Brunswick, wife of the Prince Regent. In only one case, that of the stupendous jewel cabinet made a year or two before the French Revolution by Jean-Henri Riesener, is an object specifically put "center stage." The cabinet takes that place as if by right, and has an almost outrageous grandeur of stance and detail.



A craftsman with wood sculptures at Paa ya Paa in Nairobi.

Abel Seyid Adas/The New York Times

A Haven for Kenyan Carvers

by Sheila Rule

Nairobi — Beyond the competitive rush of the crowded city center, creativity flourishes in a place of quiet, tree-shaded harmony. Sculptures, paintings and other art works seem to be in close rapport with the wooded surroundings. The place is the Paa ya Paa art gallery and workshop, the inspiration of Elinor Njau.

Added to this is the legacy of the colonial period, which in many ways attempted to dismantle indigenous culture. "The British really did a cultural whitewash in Kenya," said Margaretta wa Gachera, a writer and art critic. "Today most of the art displayed in Kenya is by Westerners who know how to market."



On show: Raphael's self-portrait.

© 1988 The New York Times

INTERNATIONAL ARTS GUIDE

- AUSTRIA
VIENNA:
Historical Museum of the City of Vienna (tel. 42.8.04).
To Aug. 28: Otto Wagner and the Franz-Josef Stadtmuseum. Architectural models, drawings and watercolors of the rebuilt museum by Wagner and contemporaries.

- DENMARK
COPENHAGEN:
Royal Museum of Fine Arts (tel. 91.21.26).
To Sept. 27: The Age of Christian IV. Centrepiece exhibition of this summer's commemoration of one of Denmark's most popular monarchs, Christian IV (1577-1648), presents sculpture and painting of the 17th century.

- ENGLAND
LONDON:
Barbican Centre (tel. 638.41.41).
To Oct. 2: The International Art Show for the End of World Hunger. Works by 30 contemporary American and European artists — Beuys, Lichtenstein, Rauschenberg and Warhol among others.

- FRANCE
PARIS:
Centre Georges Pompidou (tel. 42.77.12.33).
To Aug. 28: 42 relief paintings by Frank Stella done since 1970.
To Oct. 17: "Les Années 50," a comprehensive survey of the 1950s. Exhibitions deal with the decade's dominant artistic styles, architecture and design, radio, film, literature and music.

- WEST GERMANY
COLOGNE:
Josef-Humbrecht-Kunsthalle (tel. 221.23.35).
To Sept. 4: The history of the Bauhaus illustrated in drawings and watercolors by Klee, Schlemmer, Kandinsky, Feininger and Laszlo Nagy, and architectural models by Gropius, van der Rohe, and Römisch-Germanisches-Museum (tel. 221.44.38).

- ITALY
PADOVA:
Palazzo della Ragione (tel. 66.13.77).
To Sept. 25: The Emo Capodistola collection: 543 works representing the primary schools of European painting of the 15th to 18th centuries, presented together for the first time.

- SCOTLAND
National Galleries of Scotland (tel. 556.89.21).
To Sept. 4: Francis Picabia (1879-1953). A retrospective of 90 works by the artist.

- SWITZERLAND
BASEL:
Kunstmuseum (tel. 22.08.28).
To Sept. 4: Drawings by Hans Holbein the Younger, including 50 on loan from the Royal Library at Windsor Castle.



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NYSE Most Actives table with columns for Vol., High, Low, Last, Chg.

Market Sales table with columns for NYSE 4 p.m. volume, AMEX 4 p.m. volume, etc.

NYSE Index table with columns for High, Low, Close, Chg.

Thursday's NYSE Closing logo with 'Via The Associated Press' text.

AMEX Diary table with columns for Case, Prev.

NASDAQ Index table with columns for Close, Chg, Week, Prev.

AMEX Most Actives table with columns for Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns for Close, Chg.

NYSE Diary table with columns for Class, Prev.

Odd-Lot Trading in N.Y. table with columns for Buy, Sell, % of NY.

Dow Jones Averages table with columns for Induc, Trans, Util, Comp.

Standard & Poor's Index table with columns for High, Low, Close, Chg.

NASDAQ Diary table with columns for Class, Prev.

AMEX Stock Index table with columns for High, Low, Last, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Large table of NYSE stock prices with columns for 12 Month High, Low, Stock, Div., Yld., PE, etc.

NYSE Down Before Jobs Report

NEW YORK — Stock prices closed lower Thursday in moderate trading on the New York Stock exchange as investor enthusiasm left the market, bringing with it an end to a five-session winning streak.

The Dow Jones industrial average, which had risen 2.85 Wednesday, fell 7.47 to close at 1,216.60. Early in the session, the blue-chip indicator had been ahead by more than 8 points.

Declining issues led advancers about a 7-6 ratio. Volume fell to 157.24 million shares from 203.59 million traded Wednesday.

Analysts said the early rise was sparked by strength in the bond market, but investors proved to be more apathetic than enthusiastic as they awaited the next round of unemployment data.

"It's been a very dull day," said Alan Acker, senior vice president at Gruntal & Co. "I think the market is going back to sleep."

Broader market indexes also fell. The New York Stock Exchange composite index fell 0.48 to close at 153.35. Standard & Poor's 500-stock index lost 1.05 to 271.93.

Brad Weeks, senior vice president in charge of sales and trading at Donaldson, Lufkin & Jenrette, described the stock market as lackluster, noting that "with interest rates above 9 percent, bonds are more attractive than stocks right now."

But interest rates have reached their peak, said Mr. Weeks, who sees a rally on the horizon. Volume included almost 8 billion shares of General Motors. The stock carries a 6.2 percent dividend yield and goes ex-dividend Friday, making Thursday the last day investors could own a share and collect its current quarterly dividend.

Trude Latimer, a market analyst with Josephthal & Co., said although stock prices pulled back from gains made at the open, there is an undercurrent of an improving tone in the market.

The July jobs data is due out Friday and is expected to show continued economic strength, but Ms. Latimer said she did not think "these individual statistics, with the possible exception of the merchandise trade data, have much impact on an intraday basis."

Table of stock prices for companies like FPL Co, Ford, etc.

Table of stock prices for companies like Hondo, Motorola, etc.

Table of stock prices for companies like IBM, Intel, etc.

Table of stock prices for companies like AT&T, Bell, etc.

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NEW YORK — The... growing litigation... outlook...

Mr. Sloan... the... important...

Table with columns for Currency, Forward Rates, etc.

Table with columns for Key Money Rates, etc.

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Triumphs in TV technology SAMSUNG

FRIDAY, AUGUST 5, 1988

WALL STREET WATCH

Growing Litigation Clouds The Outlook for Brewers

By ROBERT J. COLE New York Times Service NEW YORK — The slow accumulation of lawsuits against producers of alcoholic beverages...

After cigarettes, Sloan contends, beer could be a litigation target.

The suit contends that relatively moderate consumption of Stroh's Old Milwaukee — two or three cans on four nights a week over a six-year period — caused the death from acute pancreatitis of a 26-year-old from Pennsylvania.

MR. SLOAN said that the health problems associated with alcohol were far less common than those stemming from smoking.

The important point, Mr. Sloan maintained, is that cigarette stocks have already been discounted for the litigation problems.

Clearly, plaintiffs have major obstacles to overcome before winning a case against alcohol companies, as they did with the cigarette industry.

Mr. Sloan's recommendation, to close at \$30.50 on Wednesday on the New York Stock Exchange, but most of his colleagues say his fears are unwarranted.

Mr. Goldman disagrees strongly with Mr. Sloan about Anheuser-Busch, which he believes clients should be aggressively accumulating.

Pretoria Set to Act On Trade

Direct Controls on Imports Weighed

JOHANNESBURG — South Africa is considering the introduction of direct import controls to avert a balance of payments crisis...

Mr. du Plessis told reporters that a few indirect controls were already in place, but pressure on the balance of payments' current account and dwindling gold and foreign currency reserves could force Pretoria to tighten these.

The balance of payments position is looking bad and circumstances are such that he doesn't have any option, a senior Finance Ministry official said.

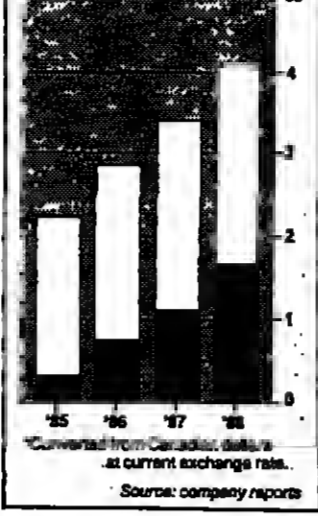
Stressing his reluctance to impose controls, Mr. du Plessis acknowledged they implied that "some bureaucrats somewhere will know exactly how much of a certain item should be imported."

Mr. du Plessis and Gerhard de Kock, the reserve bank governor, who are the chief advocates of free-market principles in the domestic economy, have long opposed pressure for direct import controls from leaders of the conservative Afrikaans business establishment.

Surging imports and static exports plunged the current account into a deficit of 410 million rand (\$167 million) in the first quarter of 1988.

Labatt's U.S. Revenues Grow

The U.S. share (shaded) of Labatt's revenues, in billions of U.S. dollars, fiscal year ended April 30.



George McNeil/The New York Times J. Herbert England, right, a Labatt executive, with Eugene Mailli of Tuscan Dairy.

For Labatt, Switch to Milk Is Easy

U.S. Dairies Thrive, but New York Is a Tough Market

By Jonathan P. Hicks New York Times Service NEW YORK — For John Labatt Ltd., becoming one of the leading dairy companies in the Northeast United States in just three years was easy — at least when compared with the challenge of making money in the newly deregulated New York City milk business.

The acquisition of such large dairies as Johanna Farms, Queens Farms Dairy and Tuscan Dairy Farms has enabled the Canadian brewery and food conglomerate to capture nearly 40 percent of the milk market in New York City, more than half of the New Jersey market and three-fourths of Philadelphia's, according to industry officials.

That has helped the company go a long way toward its goal of becoming a major force in the food business in North America and deriving half of its sales and earnings from the United States.

Labatt executives think success in the United States is vital to growth. In Canada, the company has long held dominant positions in several food and beverage markets: It is that country's largest producer of pasta, its Labatt brand commands a 42 percent market share, and its Ault Foods division is one of Canada's largest dairy producers.

But at least in New York, which opened up the milk market to all comers in January 1987, the company is suffering from intense price competition and high overhead, partly stemming from milk plants that are far from advanced technologically.

Capital Outflow From Germany Rises to Record

By Ferdinand Protzman International Herald Tribune FRANKFURT — The flow of capital out of West Germany rose dramatically in the first half of 1988, as a record 50.57 billion Deutsche marks (\$27 billion) of net long-term capital left the country...

Despite the outflow, the West German economy continued to perform better than expected, with orders to the manufacturing industry rising an inflation-adjusted 0.9 percent in June from May, the government reported.

But the movement of capital out of West Germany has eroded the mark's strength since the start of the year and recently prompted the Bundesbank, the central bank, to raise interest rates.

Economists said investors' doubts about West Germany's attractiveness as a financial and industrial marketplace, as well as shifting foreign exchange rates and a withholding tax on interest income have contributed to the flow of capital, which includes securities transactions and direct investment.

The capital outflow, which had slowed in the spring, accelerated sharply in June as the nation's capital account showed a deficit of 13.94 billion DM, compared with a deficit of 9.82 billion DM in May and 4.05 billion DM in June 1987.

West Germany's long-term capital account deficit widened to 11.53 billion DM in June from 8.80 billion DM in May and 1.18 billion DM a year earlier.

Services and transfers showed a deficit of 3.30 billion DM in June, down from 2.53 billion DM in May, the Bundesbank said.

U.S. Efficiency Falls by 1.7% In 2d Quarter

WASHINGTON — The efficiency of U.S. businesses in producing goods and services decreased at a 1.7 percent annual rate in the second quarter, the first decline since 1985, the Labor Department said Thursday.

Productivity among non-farm businesses, responsible for 75 percent of U.S. economic activity, had risen at an annual rate of 3.4 percent from January through March.

Reflecting the continuing economic expansion, output of goods and services by non-farm businesses rose at an annual rate of 4.7 percent in the second quarter.

But to achieve that rise, workers put in 6.5 percent more hours, the largest quarterly increase since 1984 and a reflection of a 14-year low in the U.S. unemployment rate.

Currency Rates

Table with columns for Currency, Par \$, and other financial data. Includes entries for Amsterdam, Brussels, Frankfurt, London, etc.

Other Dollar Values

Table with columns for Currency, Par \$, and other financial data. Includes entries for Argentina, Australia, Austria, etc.

Forward Rates

Table with columns for Currency, 30-day, 60-day, 90-day, and other financial data.

Interest Rates

Table with columns for Eurocurrency Deposits, 1-month, 3-month, 6-month, and other financial data.

Key Money Rates

Table with columns for United States, Discount rate, Prime rate, and other financial data.

Asian Dollar Deposits

Table with columns for 1 month, 3 months, 6 months, and other financial data.

U.S. Money Market Funds

Table with columns for Merrill Lynch Ready Assets, 30-day average yield, and other financial data.

Gold

Table with columns for Hong Kong, London, New York, and other financial data.

Mecca Leisure Makes Offer for Pleasurama

£621 Million Bid for Casino Owner

LONDON — Mecca Leisure Group PLC said on Thursday that it wanted to buy the casino owner Pleasurama PLC in a deal it valued at £621 million (\$1.06 billion), but only if Pleasurama drops its plans to buy the Hard Rock Cafe chain.

Mecca's offer to swap some of its stock for all of Pleasurama's shares took traders on the London Stock Exchange by surprise, since Mecca is much smaller than Pleasurama.

Mecca, a former unit of Grand Metropolitan PLC, was sold to management in 1985.

Mecca said the offer was conditional upon Pleasurama dropping plans to buy Hard Rock International PLC and not proceeding with a rights issue.

Pleasurama, whose holdings include London's elegant Grosvenor Club casino, offered £63 million in cash for the Hard Rock chain on July 20 and proposed a £127 million rights issue to fund it and the £18.7 million acquisition of a theme park and a resort and business park in the United States.

GM Revamps Warranty As Wider 3-Year Plan

By John Holusha New York Times Service DETROIT — General Motors Corp. announced Wednesday that it would change the warranty it offers on most of its cars and light trucks from six-year, 60,000-mile (100,000-kilometer) coverage of basic engine and transmission parts to a three-year, 50,000-mile package.

The change will apply to 1989 models, GM said.

GM touched off a warranty war in the domestic industry in 1987 when it extended a three-year, 36,000-mile power-train warranty to six years and 60,000 miles.

TWO STRENGTHS, LINKED. Advertisement for TDB American Express Bank.

TDB AMERICAN EXPRESS BANK. Advertisement detailing bank services, strengths, and contact information.

Thursday's NYSE Closing

Totals include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists various stocks and their performance.

NYSE High-Lows

Table with columns: Stock, High, Low, Change. Lists high and low prices for various stocks.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table with columns: Company, Revenue, Profit, Per Share. Lists financial results for various companies.

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U.S. Futures

Via The Associated Press

Grains

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists grain futures prices.

Food

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists food futures prices.

Livestock

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists livestock futures prices.

Currency Options

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists currency options prices.

U.S. Vehicle Makers Report Strong Sales

DETROIT—U.S. manufacturers of cars and light trucks have reported unexpectedly strong sales for July, while imports showed surprising losses.

Overall, vehicle sales were down about one-third of a percentage point from the strong level of a year earlier.

But sales of domestic cars rose 2.6 percent to 24,102 a day, while those of imports fell a substantial 9.5 percent, to 10,301 a day.

Paris Commodities

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists Paris commodity prices.

London Metals

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists London metal prices.

Dividends

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists dividend information.

Spot Commodities

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists spot commodity prices.

S&P 100 Index Options

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists S&P 100 index options prices.

London Commodities

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists London commodity prices.

DM Futures

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists DM futures prices.

U.S. Treasuries

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists U.S. Treasury prices.

Commodity Indexes

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists commodity index values.

Stock Indexes

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists stock index values.

Market Guide

Table with columns: High, Low, Stock, Div, Yld, PE, 52-Week High, 52-Week Low, Close, Change. Lists market guide information.

Software Sales Up In North America

NEW YORK — The North American personal computer software industry grew more than 50 percent in the first half of 1988.

Software sales in the first six months of 1988 rose to \$1.82 billion from \$1.21 billion a year earlier.

The largest category, the report said, is MS-DOS software, used on machines made by and compatible with those of International Business Machines Corp.

The report said that software sales in the first half of 1988 rose 29 percent, while hardware sales rose 16 percent.

Wolkswagen

Wolkswagen... The company... reported a sharp increase in profit before extraordinary items.

Planned Cuts By Eastern Air Are Blocked

WASHINGTON — A federal judge has temporarily blocked Eastern Air Lines' plan to cut 14,000 jobs and its service to 14 cities and its service to Cincinnati.

A hearing will be held at an unspecified date on whether to grant a preliminary injunction against Eastern's proposed cuts.

The effect on August 1, the judge said, would be to prevent Eastern from making any cuts in its service to 14 cities and its service to Cincinnati.

Notice is hereby given that the Debenture (hereinafter referred to as the "Debenture") of the Montreal Trust Company, 1000 Avenue de la Montreale, Montreal, Quebec, Canada, is being offered for sale.

The said meeting management representatives are hereby notified that the Debenture holders are invited to attend the meeting.

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BUSINESS ROUNDUP

Akzo Income Rises 27% in Quarter

ARNHEM, Netherlands — Citrus strong markets and an improved products mix, Akzo NV, a Dutch chemicals maker, reported Thursday a 27.1 percent surge in second-quarter profit and said it expected a sharp increase in overall 1988 profit before extraordinary items.

Exchange. The stock had traded as high as 147 during the day. "These figures are splendid. They were at the top end of the most optimistic forecasts," said a senior dealer at a Dutch bank. The market largely ignored speculation on Wednesday that Akzo could soon announce the exercise date for a 1986 warrant issue callable from Nov. 1. The date has to be announced three months in advance.

While the dollar's rising trend and subsiding fears of a recession boosted the outlook, Akzo was also stronger after last year's divestment and acquisitions, said Sieb Bergema, group financial director. "Our profit margins are structurally better because we have improved our product mix," he said. Noting the company last year sold its consumer products arm while buying Stauffer Co.'s specialty chemicals division from Imperial Chemical Industries PLC of Britain, Mr. Bergema said Akzo continued to pursue growth in sectors where marketing and technological expertise were of prime importance.

British Airways Reports a 9% Dip in Profit

LONDON — British Airways PLC said Thursday that its net profit fell 9 percent to £53 million (\$90.6 million) in the first quarter, ended June 30, of its financial year, from £58 million in the same 1987 period. The airline said earnings were hurt in the short term by losses at British Caledonian Airways, which British Airways acquired for £253 million in April. Earnings per share for the quarter were 7.4 pence, down from 8.1 pence in the same period a year earlier. Pretax profit fell 10 percent to £81 million from £90 million. Revenue rose 13 percent to £1.02 billion from £900 million, the company said.

French Water Firms Expand in Britain Hoping to Widen Interests Before 1992

PARIS — The two major French water companies are building their stakes in British utilities before the privatization of British water companies. Last year, Générale des Eaux reported attributable net profit of 1.05 billion francs (\$170 million) on revenue of \$2.97 billion francs. Lyonnaise des Eaux, Générale's main rival, posted attributable net profit of 439 million francs on sales of 16.84 billion francs. "We have been looking out at the rest of Europe for a long time," Ms. Valency said. "Our oldest links abroad, in Spain, where we have a subsidiary, were established several years ago."

Lyonnaise des Eaux owns 85 percent of Lyonnaise Communications SA, the remaining 15 percent being held by Europe's first private cable operator, the Belgian group Colifed. Lyonnaise Communications, created in 1986, holds 25 percent of a French private commercial television station, M6. It also has a 5 percent stake in the communications group Agence Havas SA. Lyonnaise des Eaux also owns 29 percent of Britain's third largest funeral company, Kenyon Securities PLC. It has also opened about 30 retirement homes. Golfespace, a joint subsidiary of Lyonnaise, Havas and France's Caisse Nationale de Crédit Agricole, has opened golf courses in France. Générale des Eaux has a 20 percent holding in the French pay television channel Canal Plus.

IRI Reports Sharp Drop in Profit for 1987

ROME — Istituto per la Ricostruzione Industriale, the Italian state holding company, reported Thursday that consolidated profit fell by more than half in 1987, to 177 billion lire (\$130 million) from 367 billion in 1986. Revenue was up about 2 percent, to 53.43 trillion lire from 52.58 trillion. IRI said the slight rise in revenue was due to the sale of the car maker Alfa Romeo to Fiat and to the dollar's depreciation. Results of wholly owned companies continued to deteriorate last year. The steelworks Finsider recorded a loss of 1.46 trillion lire, compared with 968 billion lire in 1986. Losses also widened at the shipyard Finmeccanica. But Finmeccanica, the machinery branch, returned to a profit of 57 billion lire after years of losses. That was largely due to the sale of Alfa Romeo and part of the semiconductor maker SGS to Thomson SA of France.

Planned Cuts By Eastern Air Are Blocked

WASHINGTON — A federal judge has temporarily blocked Eastern Air Lines' plans to cut 4,000 jobs, end service to 14 cities and close its Kansas City hub. U.S. District Judge Barrington D. Parker, in issuing a temporary restraining order Wednesday, said the evidence so far indicated that Eastern's plans violate federal law governing the airline industry. A hearing will be held at an unspecified date on whether to grant a preliminary injunction against Eastern's proposed cutbacks, which are slated to take effect on Aug. 31. Judge Parker said the unions that had sought the ruling had "made a strong showing that Eastern possesses a union animus." He added that evidence existed that Eastern planned to transfer some of the flights it would abandon to Continental Airlines, also owned by Eastern's parent, Texas Air Corp.

LABATT: The Switch to Milk Is Easy, but New York Is Proving Tougher

(Continued from first finance page) sions dairy concerns, these include makers of pasta, pizza ingredients and juice, and Labatt Brewing, the Pennsylvania company that makes Rolling Rock Beer. In the financial year that ended April 30, the United States accounted for \$1.7 billion, or 41 percent, of Labatt's revenues of \$4.1 billion, up from \$291 million, or 13 percent of its revenues, three years earlier. The company is on the lookout for additional acquisition prospects in the United States. Labatt's fastest-growing business in the United States has been its dairy operations in the Northeast. Labatt bought Johanna Farms, a family-owned New Jersey dairy, in the spring of 1985, giving the company a foothold in the Southern New Jersey and Philadelphia markets. In March 1986, Johanna bought Atlantic Processing Inc., which had three milk plants in Pennsylvania and two in Maryland. The next month, Tuscan Dairy in Union, New Jersey, bought the Dairyland processing plant in Queens, and last January, Labatt's Johanna Farms bought Tuscan. Then came deregulation in New

York City, and the industry entered a period of upheaval as competition intensified and milk prices dropped. The price of a gallon of milk in New York City, which was \$2.40 two years ago, plunged to \$1.60 in the middle of last year. The price has since rebounded to about \$2.15. The number of milk companies in the area was cut in half as some abandoned the business while others acquired competitors. Some of the smaller players that have had the toughest time place much blame on large companies like Labatt. They have been out there offering cash payments and lower prices to win retailers," said an executive of a competing milk company, who requested anonymity. "With that tactic added to the Labatt money, what kind of chance does a smaller company have in this business?" Mr. England said Labatt engaged in no such practices, and

others in the industry said Labatt had merely followed the pricing initiated by competitors. "They haven't been price leaders, or price cutters," said John E. Noakes, secretary and general counsel of the Dairy Industry Institute, a trade association. Mr. England said lower milk prices were only one reason for Labatt's losses in New York. "Our labor rates are 25 to 30 percent higher in New York City than in New Jersey," he said. "And it's tougher to make money in New York City because, with traffic and the higher number of deliveries to make, you take smaller shipments of milk to more places. That drives up your carrying costs." While Labatt cannot change that scenario, the company is working on reducing its plants' operating costs and on raising its market share. To enlarge its market share in New York, Labatt is focusing on

improving service to retailers rather than increasing its advertising expenditures. Because consumers perceive milk as being the same regardless of its processor, consumer advertising is generally ineffective, Mr. England said. "More than anything else, it's the employee on the road really caring about getting the product to the account" that matters, he said. "We're having meetings with employees to give them the proper training and communication of what the company goals are and letting them know how they fit into them." For their part, industry analysts and executives expect Labatt to stay the course in New York. Predicting that milk prices will continue to inch up, they say the company's cost-cutting efforts should enable it eventually to make money in the city.

General Re Sets Sale of Unit

NEW YORK — General Re Corp. has agreed to sell its life reinsurance subsidiary, General Reinsurance Corp., to a new company formed by Insurance Investment Associates for about \$300 million in cash. The new company, Reinsurance Acquisition Corp., is a partnership of three individuals who have acted as agents in the merger and acquisition of insurance companies. Announcing the agreement Wednesday, General Re, based in Stamford, Connecticut, said the sale would allow it to focus its efforts on property and casualty insurance. General Re had revenue of \$3.45 billion and net income of \$510.8 million in 1987.

The finest hotels in the world offer CNN INTERNATIONAL 24 Hour Global Television News to their guests "Ask for it at your hotel!" Consult your travel agent or send an SAE to: CNN International Sales Limited 25/28 Old Burlington Street London W1X 1LB for a list of CNN affiliate hotels

NOTICE OF MEETING of the holders of 8% Series III Debentures to mature January 1, 1995 of TURBO RESOURCES LIMITED Notice is hereby given that a meeting of the holders of the 8% Series III Debentures to mature January 1, 1995 (hereinafter referred to as the "Debentures") of Turbo Resources Limited (hereinafter referred to as the "Company") issued under a trust indenture (hereinafter referred to as the "Trust Indenture") dated as of the first day of January, 1986 made between the Company and Montreal Trust Company of Canada, as trustee (hereinafter referred to as the "Trustee"), will be held at Third Floor, Cottons Centre, Cottons Lane, in the City of London, England, on Monday, the 5th day of September, 1988, at the hour of 10:00 o'clock in the forenoon (Greenwich Mean Time), for the purpose of considering and, if thought fit, passing as an extraordinary resolution or extraordinary resolutions pursuant to the provisions of the Trust Indenture one or more resolutions for the following purposes, namely: 1. To approve an Interim plan dated April 29, 1988 entered into by the Company and certain of its creditors; 2. To approve an agreement in principle dated July 13, 1988 entered into by the Company and certain of its creditors and the transactions contemplated thereby, which agreement contemplates the redemption (by full or partial payment) of all of the Series I and Series II Debentures issued under the Trust Indenture as part of and conditional upon completion of all components of a proposed capital and financial reorganization (the "1988 Reorganization") of the Company (which reorganization includes the purchase by the former holders of Series I and Series II Debentures of distress preferred shares to be issued by a single-purpose wholly-owned subsidiary of the Company); and 3. To approve amendments to and a restatement of the Trust Indenture for the purpose of: A. authorizing the issue of two new series of debentures, which new debentures will be pledged to the holders of such distress preferred shares; B. creating a fixed charge in favour of such new series of debentures in all material respects the same as existing fixed charge security; C. amending covenants to reflect and implement the 1988 Reorganization. The said meeting is being convened at the request of the Company in connection with the 1988 Reorganization. Senior management representatives of the Company will be available at the meeting for discussion purposes and, during the three business days prior to the meeting, will be available to meet privately with Debentureholders in London on an informal basis. Debentureholders interested in meeting with these representatives prior to the meeting should call Robert McClinton, c/o Messrs. Stikeman, Elliott - London (01) 378-0880. This notice is given pursuant to the provisions of the Trust Indenture with the intent that any extraordinary resolution or extraordinary resolutions passed at the said meeting or any adjournment thereof shall, if passed in accordance with the provisions contained in the Trust Indenture in that behalf, be binding upon all the Debentureholders, whether present or absent, and couponholders and each and every Debentureholder and the Trustee (subject to the provisions for its indemnity contained in the Trust Indenture) shall be bound to give effect thereto accordingly, with the further intent that in considering and/or passing the resolution, extraordinary or otherwise, such meeting may modify, amend, change, amplify, add to or omit any of the matters and things hereinbefore specified, it being stipulated that the foregoing does not purport to specify the terms of any resolution or resolutions to be proposed at the meeting, but only to indicate the general nature of the business to be transacted thereat and in general terms the subject matter of any extraordinary resolution or extraordinary resolutions to be submitted thereat. Pursuant to the provisions of the Trust Indenture and regulations made thereunder, Debentureholders desiring to be present and vote at the meeting without producing their Debentures may deposit same with any of the depositaries named below and will receive in exchange voting certificates which will entitle the holder named therein to be present and vote at the meeting and at any adjournment thereof and to appoint a proxy (who need not be a Debentureholder) to represent and vote for the holder at such meeting and at any adjournment thereof in the same way as if the holder so named in the voting certificate were the actual bearer of the Debentures specified in such voting certificate. Debentures so deposited will be held on deposit until after the meeting and any adjournment thereof and will then be returned to the depositor. Copies of recently-published financial reports concerning the Company and other publicly-available information relevant to the 1988 Reorganization, together with instructions and forms for depositing Debentures, forms of voting certificates, and other information may be obtained on application to any of the depositaries at the addresses set forth below. Save as aforesaid, the only persons who shall be recognized at the meeting or any adjournment thereof as the holders of Debentures or as entitled to vote or be present at the meeting or any adjournment thereof shall be the persons who produce Debentures and/or voting certificates at the meeting or any adjournment thereof. In the event that the said meeting shall be adjourned by reason of failure to attain a quorum, those Debentureholders present in person or by proxy at the adjourned meeting may transact the business contemplated by this notice. For the convenience of Debentureholders unable to attend the meeting, proxies and voting certificates may be sent to Montreal Trust Company of Canada, c/o Orion Royal Bank Limited, Principal Paying Agent, 71 Queen Victoria Street, London, England EC4V 4DE, Attention Ms. Giselle Warman, and, in order to be relied upon, must be received at such address on or prior to the business day immediately preceding the date of the meeting. All persons intending to attend at the meeting are asked to arrive at least one hour prior to the scheduled commencement for registration and other similar administrative purposes. Dated the 5th day of August, 1988. MONTREAL TRUST COMPANY OF CANADA Trustee 411 8th Avenue S.W., Calgary, Alberta

New Issue This advertisement appears as a matter of record only August 4, 1988 The Bank for Foreign Economic Affairs of the USSR (БАНК ВНЕШНЕЭКОНОМИЧЕСКОЙ ДЕЯТЕЛЬНОСТИ СССР) Moscow DM 500,000,000 6% Bearer Bonds of 1988/1995 - Stock Index No. 484 860 - Issue Price: 100 % Dresdner Bank Aktiengesellschaft Deutsche Bank Aktiengesellschaft Commerzbank Aktiengesellschaft Westdeutsche Landesbank Girozentrale Allgemeine Bank Nederland N.V. Banque Bruxelles Lambert S.A./ Bank Brussel Lambert N.V. Bayerische Vereinsbank Aktiengesellschaft BHF-Bank Citibank Aktiengesellschaft County NatWest Limited Daiwa Europe (Deutschland) GmbH DG Bank Deutsche Genossenschaftsbank I.B.J. (Germany) Morgan Stanley GmbH Nomura Europe GmbH Ost-West Handelsbank AG Salomon Brothers AG Schweizerische Bankgesellschaft (Deutschland) AG Schweizerischer Bankverein (Deutschland) AG Shearson Lehman Hutton A.G. Bankhaus Yamaichi International (Deutschland) GmbH Arab Banking Corporation - Daus & Co. GmbH Banco de Bilbao Deutschland AG (Banco Bilbao Vizcaya-Group) BfG-Bank Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft Bayerische Landesbank Girozentrale Berliner Bank Aktiengesellschaft Creditanstalt-Bankverein Deutsche Girozentrale - Deutsche Kommunalbank - Donau-Bank Aktiengesellschaft DSL Bank Deutsche Scheck- und Landesrentenbank Genossenschaftliche Zentralbank AG Vienna Hessische Landesbank - Girozentrale - International Bank for Economic Co-operation Kansallis Banking Group Moscow Narodny Bank Limited Norddeutsche Landesbank Girozentrale Österreichische Länderbank Aktiengesellschaft Postipankki



CURRENCY MARKETS

Dollar Advances in Quiet Trading

NEW YORK — The dollar closed slightly higher in quiet trading...

London Dollar Rates

Table with 2 columns: Currency, Rate

Deutsche marks at the close in London, from 1.8755 DM Wednesday...

The dollar rose to 1.8798 DM at the close in New York...

The British pound eased to \$1.7068 from \$1.7100...

While the market will be closely watching the U.S. jobs data...

The dollar rose slightly to 1.8785

Argentina Devalues Austral

BUENOS AIRES — Argentina devalued its currency effective Thursday...

In Forex Fight, More Can Mean Less

Not All Banks Profit From the Volatile Currency Markets

PRETORIA: South Africa Considers Imposing Direct Curbs on Imports

(Continued from first finance page) This year after a surplus of 5.5 billion rand in 1987...

Economic analysts had charged that the government stalled the rate rises for fear of alienating white voters before important municipal elections next October.

Thursday's OTC Prices

Table of OTC prices for various stocks

Table of stock prices for various companies

Table of stock prices for various companies

Table of stock prices for various companies

Table of stock prices for various companies

OUTFLOW: Bonn Record Is Set

(Continued from first finance page) bank in Düsseldorf. "In fact, we are enjoying an export boom."

Thursday's AMEX Closing

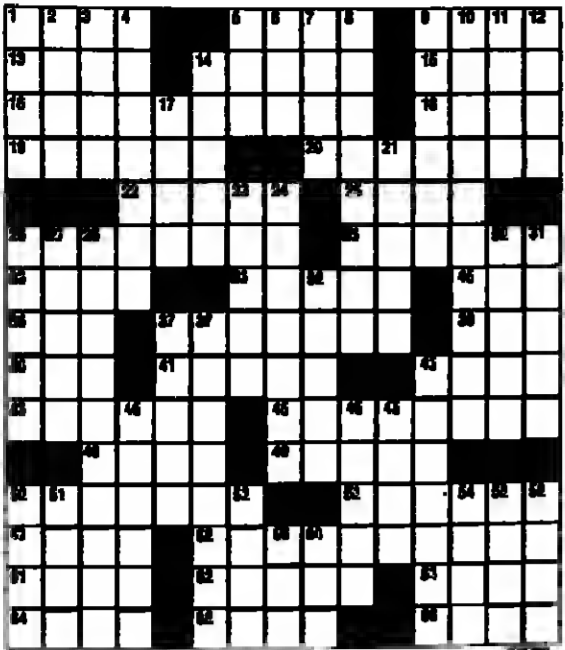
Table of AMEX closing prices for various stocks

Table of stock prices for various companies

Table of stock prices for various companies

Table of stock prices for various companies

Table of stock prices for various companies



ACROSS
1 Memorable "tonized" actor
5 Lanchester of films
9 Being: Lat.
13 Mars: Comb. form
14 Darts
15 West Pl., e.g.
16 Site of Louis XIV's palace
18 Mugger
19 Cast (bewitch)
20 Leafstalk
22 Sea squirt
23 Horace or Thomas
26 Of trees
27 Westminster Palace's clock
32 Seine pont
33 Skin ailment
35 Vintage car
36 Launch or Indian tribe
37 Properties
39 Tell's Swiss canton
40 Class
41 Corn variety
42 Cuckoo
43 Photographic developer
45 Solicitor
48 N.B.A.'s Archibald

DENNIS THE MENACE



JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.
MODEN
LALIV
TREFER
ITHELB

WEATHER

Table with weather forecasts for Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania. Columns include location, high, low, and conditions.

PEANUTS



BLONDIE



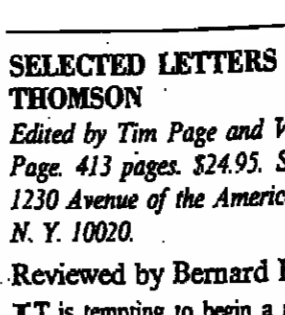
BEETLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



BOOKS

SELECTED LETTERS OF VIRGIL THOMSON

Reviewed by Bernard Holland
It is tempting to begin a review of Virgil Thomson's letters with broad pronouncements about distinguished careers and profound effects on American music.

BRIDGE

By Alan Truscott
IN Europe, club loyalty is highly regarded and inter-club events are common.

World Stock Markets

Table showing closing prices for various stock markets including Amsterdam, London, Zurich, Tokyo, Sao Paulo, Singapore, Milan, Hong Kong, Frankfurt, and Paris.

Our Readers

Toronto and Montreal stock market quotations were not available in this edition because of technical problems.

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Various small advertisements and notices including 'Scoreboard', 'Hockey', 'College', and 'American Conference'.



SPORTS

Play It Again, Guys

Officials Adjusting Quickly to Slo-Mo For NFL's 3d Season of Eye in the Sky

By Thomas George
NEW YORK — In room 312 in the Crystal City Marriott on a busy, sunny Saturday morning, eight men gathered around two huge color television sets, two huge video recorders and an assortment of other electronic gadgets. It looked like the setting of the latest video-game version of Mighty Mouse versus Alvin and the Chipmunks.

Why not have your own in-house way of correcting critical, glaring mistakes that decide the outcome of a game?

we were trying to look at every play in the game, that is just mind-boggling. Maybe, we thought, we should look at playing involving possession. In the last preseason game of '85, Tex invited us in and had Sony set up all this equipment.



Hubie Brooks of the Expos and John Smiley of the Pirates had an acrimonious 10-minute meeting at the mound, well attended by teammates, during the game in Pittsburgh. Montreal triumphed, 6-4.

The Short Life of the Certified Genius

Many Odd Things Often Happen to Baseball Managers

By Ira Berkow
NEW YORK — What's so amazing about the surge of the Boston Red Sox is not how well they're suddenly doing, but how dumb John McNamara suddenly became.

'Lucky' Red Sox Match Record, And Gain Tie for AL East Lead

BOSTON — The Boston Red Sox, riding a streak even they can barely believe, Wednesday night tied the American League record of 22 consecutive home victories and

grabbed a share of first place in the AL East when Jody Reed's single with two out in the eighth inning beat the Texas Rangers, 5-4.

Red Sox manager Joe Morgan said the team's streak was "a long time in baseball and he's finally getting long overdue recognition."



Rookie Dave Elland wiped away the dismay of Paul Molitor's first-inning homer. Bat for the Yankees, relief was not in sight.

Game break. Their 46-59 record put them 13 games under .500, the farthest they have been under the break-even mark in three years.

Griffith Joyner Cashes In On Success in U.S. Trials

By Frank Litsky
NEW YORK — The last time Florence Griffith Joyner ran on the European track circuit, she received about \$1,500 in appearance money for each race.

SCOREBOARD

Table containing baseball scores for Wednesday's Major League Line Scores and Major League Standings. Includes columns for team, wins, losses, and percentages.

SIDELINES

Leonard to Fight Lalonde This Fall
WASHINGTON (Combined Dispatches) — Three-time world boxing champion Sugar Ray Leonard, 32, came out of retirement Thursday for the third time and signed a contract to fight Donnie Lalonde of Canada this fall in a bid to win an unprecedented five titles.

For the Record

Tracy Austin, ranked No. 1 in the world at age 17, returned to the professional tennis tour Wednesday night after a four-year absence caused by injuries, losing a doubles match in San Diego but "very happy with the way I played."

INTERNATIONAL CLASSIFIED
(Continued from Back Page)
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ARISTOCATS
MAYFAIR CLUB
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LONDON BELGRAVIA
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OBSERVER

The Newest Generation

By Russell Baker
NEW YORK — Every time you turn around there seems to be another generation taking over. They are always smarter than the generation they are taking over from.

and we had to get out of the way if we couldn't lend a hand. The handwriting was not on the wall, but the gray was on the skull, the blubber was on the waistline, and the lines were etched deeply in the face.

We used to sit around on the campus at high school conjugating irregular French verbs and sneering at the foolish way the outgoing generation had messed up everything by writing the Versailles Treaty and electing Herbert Hoover.

Time magazine assured us sympathy for the wrinking was misplaced. They were the generation that spawned Hitler and the Depression. They were pretty good at spawning, but they weren't smart enough to spawn anything that wasn't a dead news.

Next thing you know, what is this? Another smarter generation already taking over? Yes, that was the meaning of that snorting laughter we heard when we told them, the oncoming smarter-than-ever generation, to can that racket so we could hear Kallenborn deliver the news. That wasn't racket, that was music, they said, and the times they were a-changing.

What's more, as many an abashed parent trenchantly admitted during therapeutic group wallows at confessions-of-dumbness seminars, 97 out of 100 members of the dilapidated generation couldn't play a single chord on a guitar.

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Time magazine assured us sympathy for the wrinking was misplaced. They were the generation that spawned Hitler and the Depression. They were pretty good at spawning, but they weren't smart enough to spawn anything that wasn't a dead news.

A Frenchman's Yukon Idyll

By John F. Burns
NEW YORK TIMES STAFF WRITER
DAWSON CITY, Yukon — After Francois Varigas made a 5,000-mile crossing of Canada's high arctic on a dog sled five years ago, he built a log cabin outside this fabled town.



Francois Varigas says: "The typical Yukoner these days is always complaining about the cold."

speaking or mining for gold — feel out of step. Since 1985, the territorial government has been controlled by the New Democratic Party, a socialist-oriented group that has been ousted from power in the only other places in Canada where it held power, Manitoba and Saskatchewan, while it has been strengthening its position in the Yukon.

The man who led the party to power is Anthony Penikett, a 42-year-old former television screenwriter. He lists the constituencies that sustain his party as labor groups, women's organizations, people concerned about maintaining the wildlife and the ecology of the Yukon, the territory's 5,500 Indians, and government workers, the largest employment group of all.

together, these groups stand for what Penikett, the government leader, calls "a less rapacious view of development" than has been traditional in the Yukon. What Robert Service might have thought is a matter for con-

jecture. The English-born writer, said to be President Ronald Reagan's favorite poet, memorialized the hard-knuckle days of the Yukon gold rush of 1897-98 in poems that his children at bedtime still read to their children at bedtime.

PEOPLE

Wallenberg Memorial

The family of Raoul Wallenberg marked the 70th birthday of the diplomat Thursday by establishing a \$500,000 fund to document his work in saving Jews from Nazi gas chambers. The family, which controls several of Sweden's major industrial companies, said Uppsala University in Sweden and an unnamed American University would receive the money. Wallenberg was first secretary at the Swedish embassy in Budapest during World War II when he embarked on a one-man crusade, taking Jews under his personal protection and giving them Swedish passports. He is credited with saving the lives of thousands but he disappeared shortly after Soviet troops occupied the city in January 1945. In a message to the Swedish government in 1957, the Soviet Union said that Wallenberg had died of a heart attack in Moscow's Lubyanka prison in 1947. But reports by a number of former prisoners in Soviet jails who reported seeing Wallenberg suggested that he might have remained alive well into the 1970s. The diplomat's relatives believe he may still be alive.

Publication of "The Uncollected Short Stories of John Cheever," which includes 68 stories from The New Yorker and other magazines, has been temporarily halted by a federal judge in New York. The book had been scheduled for publication next month by Academy Chicago. No time limit has been placed on the temporary injunction. The ruling upheld Mary W. Cheever, the author's widow, and her three adult children, who have opposed the book's publication both in the federal court in Chicago, Ill., and state court in New York. Mrs. Cheever sued to halt the book as a copyright matter. In the Illinois state court, where the case was brought by Academy Chicago to uphold what it considers a valid agreement, it is a matter of contract. Motions have been argued in the Cook County court and a trial is tentatively scheduled for next month.

Global Newspaper
Angola Record Reached
Negotiators Back to Achieve Peace
By Edward Coles

TODAY'S INTERNATIONAL REAL ESTATE MARKETPLACE
Appear on page 6

ANNOUNCEMENTS
MOVING
EMPLOYMENT
AUTO SHIPPING
AUTOS TAX FREE
LEGAL SERVICES

INTERNATIONAL CLASSIFIED

ANNOUNCEMENTS
MOVING
EMPLOYMENT
AUTO SHIPPING
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THE NORDIC COUNTRIES
will be featured in a special financial report, prepared by the editors of the International Herald Tribune. It will appear on Wednesday September 28th.

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HOLIDAYS and TRAVEL

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U.S. military officers fear the use of poison gas may spread in the Third World.